FISCAL NOTE

HB 1900 – SB 2157

February 8, 2018

SUMMARY OF BILL: Extends the definition of "domestic holding company" for purposes of organizing, owning and controlling a credit card state bank for an additional two years until July 1, 2020.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Under current law, pursuant to Tenn. Code Ann. § 45-2-1901, domestic holding company means a company, itself or through its parent company, subsidiary, or other affiliate, that either: (a) controls a domestic or foreign lender and has its principal place of business in Tennessee; or (b) controls a company or is a company that is licensed pursuant to Title 45, Chapter 7, and has a net worth of more than $25,000,000, and has had its principal place of business in this state for at least five consecutive years; or (c) is controlled by, or under common control with, a company described in (b).
- The definition of domestic holding company noted in (a) and (b) above, and codified in Tenn. Code Ann. §§§ 45-2-1901(3)(A), (3)(A)(i) and (3)(A)(ii), as well as the authorization for a domestic holding company to organize, own, and control a credit card state bank, codified in Tenn. Code Ann. §§ 45-2-1902(a)(1) and (a)(2), are currently scheduled to be deleted, effective July 1, 2018. The proposed legislation will extend such provisions until July 1, 2020.
- Based on information from the Department of Financial Institutions (DFI), no entities have applied to be a credit card state bank under this Act in the previous three fiscal years.
- Extending this definition until July 1, 2020, will not result in a significant fiscal impact on the DFI.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

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Assumption:

- Extending this definition until July 1, 2020, will not result in a significant impact on jobs or commerce in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista M. Lee

Krista M. Lee, Executive Director

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